



Request for City Council Committee Action from the Department of Public Works

Date: November 7, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

**Subject: Request to MNDOT for Exclusive Rights to Negotiate a Future Air
Space Lease over Ramp A**

Recommendation:

Authorize CPED and Public Works staff to submit a request to MNDOT for exclusive rights for up to two years to negotiate a long-term airspace lease over the Ramp A (TAD 7th Street Ramp)

Previous Directives:

- On November 2, 2007, the City Council approved Resolution 2007R-562 recommending that MnDOT give full consideration to the application of Downtown Golf Partners, LLC's to obtain an air rights lease for an indoor golf facility over the 7th Street TAD Garage.
- On January 7, 2000, the MCDA Board of Commissioners approved the payment of half of the cost of a market feasibility study for the proposed St. Andrew's Golf Academy.
- On July 30, 1999, the City Council: 1) approved Resolution 99R-269 that the St. Andrew's Golf Academy (SAGA) development initiative atop the 7th Street TAD Garage was supported and recognized as a development project meeting key City goals, 2) directed City and MCDA staff to evaluate structural requirements and provide input and oversight to developed engineering architectural plans (to be funded by SAGA), insure minimum impact of SAGA development on garage management and operations, and coordinate the SAGA initiative with Mn/DOT (as owner of the garage) to gain necessary State approvals to secure air rights atop the garage for the SAGA development, and 3) directed staff to return with specific terms of approval for final approval if the SAGA development were found feasible.
- On March 5, 1999, the City Council recommended that the SAGA proposal be separated from the Hawthorne Transportation Center project and directed MCDA and Public Works to identify other sites for the SAGA proposal.
- On October 16, 1998, the City Council directed City staff and MCDA to work with the SAGA developers to select a downtown site for the proposal.

Department Information:

Prepared by: Ann Calvert, Shelley Roe, Atif Saeed and Jon Wertjes

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Jon Wertjes, Director of Traffic & Parking Services, 673-2614

Financial Impact

- Action is within current department budget.
- Action within the Business Plan

Community Impact

- Neighborhood Notification: Future efforts planned during negotiation process
- City Goals: This proposed Development is expected to help achieve the A Safe Place to Call Home goal through the provision of support programs for youth; the Jobs and Economic Vitality goal through the provision of an amenity that will help attract and retain downtown businesses; and the Livable Communities, Healthy Lives goal through provision of additional recreational opportunities that encourage a healthy life style.
- Comprehensive Plan: To be determined during negotiation process.
- Zoning Code: To be determined during negotiation process.

Supporting Information

History

Since 1999, there has been interest in constructing an indoor golf facility above Ramp A (TAD 7th Street Ramp). The city supported such a project with Council resolutions in 1999 and 2007. In 2006 MnDOT updated their policy to lease Airspace under Minnesota Statute Section 161.433. In 2008 MnDOT issued a Request for Information (RFI) for airspace use above all three ABC Ramps. Based on the responses received, MnDOT decline to move forward in 2008.

New Draft Concept

A new draft concept has been developed that includes not only Ramp A but the City's adjacent Hawthorne Transportation Center parking ramp. This new draft concept, which still needs further refinement, has identified the following potential activities and uses: playing fields, running/walking track, golf driving range, youth center, education facilities, mentoring/training, club house, retail/food, and green roof/performance space.

Council President Johnson and Council Member Goodman exchanged letters with MnDOT Commissioner Zelle requesting transfer of air rights for economic development purposes in accordance with our past resolutions. The Commissioner's response indicated transfer of air rights was not consistent with the Federal Highways Administration Guidelines, but that an "airspace lease" for non-highway purposes under the 2006 MnDOT Airspace Lease Process Policy could be explored. Thus, in consultation with MnDOT staff and according to their Policy, CPED and Public Works staff are seeking authorization to submit a request to MnDOT for exclusive rights for up to two years to negotiate a long-term airspace lease over the Ramp A (TAD 7th Street Ramp).

CPED and Public Works expect further conversations with MnDOT and the proposer regarding subsequent actions to this request and we are planning to return to Council in December 2013.

cc: Ann Calvert, Shelley Roe, Atif Saeed

RESOLUTION 2013R-XXX
By Colvin Roy

Authorize CPED and Public Works staff to submit a request to MnDOT for exclusive rights for up to two years to negotiate a long-term airspace lease over the Ramp A (TAD 7th Street Ramp)

Whereas, the City of Minneapolis considered a proposal for development of an indoor golf facility in downtown Minneapolis from St. Andrew's Golf Academy and the Minneapolis City Council passed and approved Resolution 99R-269 on July 30, 1999; and

Whereas, MnDOT has established an airspace lease policy dated October 10, 2006; and

Whereas, The Minneapolis, the City Council approved Resolution 2007R-562 recommending that MnDOT give full consideration to the application of Downtown Golf Partners, LLC's to obtain an air rights lease for an indoor golf facility over the 7th Street TAD Garage on November 2, 2007,

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That a proposed development initiative for an indoor golf facility and other related activities atop the Ramp A (7th Street TAD) and Hawthorne Transportation Center parking ramps in downtown Minneapolis would be a welcome addition to the mix of downtown Minneapolis entertainment amenities available to residents, visitors, and workers.

Be It Further Resolved that a proposed development would be consistent with the goal of marketing downtown as a place to live, work, play and do business through the strengthening of downtown retail and leisure sectors (including entertainment, recreational, and cultural uses).

Be It Further Resolved that the City of Minneapolis authorizes CPED and Public Works staff to submit a request to MnDOT for exclusive rights for up to two years to negotiate a long-term airspace lease over the Ramp A (TAD 7th Street Ramp).

Adopted _____ .